

CONSOLIDATED FINANCIAL STATEMENTS

U.S. Department of Health and Human Services
Food and Drug Administration
 CONSOLIDATED BALANCE SHEETS
 As of September 30, 2002 and 2001
 (In Thousands)

	2002	2001
ASSETS		
Intragovernmental:		
Fund Balances with Treasury (Note 2)	\$710,703	\$465,572
Accounts Receivable (Note 3)	11,330	104,410
Other Assets (Note 6)	13	14,060
Total Intragovernmental Assets	<u>722,046</u>	<u>584,042</u>
With the Public:		
Accounts Receivable, Net (Note 3)	379,134	39,177
Cash (Note 4)	155	155
General Property, Plant & Equipment, Net (Note 5)	260,982	208,004
Other Assets (Note 6)	292	252
Total Assets With the Public	<u>640,563</u>	<u>247,588</u>
TOTAL ASSETS	<u>\$1,362,609</u>	<u>\$831,630</u>
LIABILITIES		
Intragovernmental:		
Accounts Payable	\$ 13,249	\$ 10,107
Accrued Payroll and Benefits (Note 9)	11,819	10,249
Resources Payable to Treasury	373,027	122,378
Other Liabilities (Note 11 & 13)	1,229	4,130
Total Intragovernmental Liabilities	<u>399,324</u>	<u>146,864</u>
With the Public:		
Accounts Payable	80,208	56,115
Accrued Payroll and Benefits (Note 9)	109,658	95,669
Federal Employee and Veterans' Benefits (Note 8)	21,100	23,011
Environmental and Disposal Costs (Note 7)	4,218	4,987
Accrued Grant Liability, Net (Note 10)	97	3,215
Other Liabilities (Note 11 & 13)	128,488	1,285
Total Liabilities With the Public	<u>343,769</u>	<u>184,282</u>
TOTAL LIABILITIES	<u>743,093</u>	<u>331,146</u>
Commitments and Contingencies (Note 12)		
NET POSITION		
Unexpended Appropriations	414,490	329,498
Cumulative Results of Operations	205,026	170,986
TOTAL NET POSITION	<u>619,516</u>	<u>500,484</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$1,362,609</u>	<u>\$831,630</u>

The accompanying notes are an integral part of these statements.

U.S. Department of Health and Human Services
Food and Drug Administration
 CONSOLIDATED STATEMENTS OF NET COST
 For the Years Ended September 30, 2002 and 2001
 (In Thousands)

Program/Activity	2002				
	Intragovernmental		With the Public		Net Program Costs
	Gross Costs	Less: Exchange Revenue	Gross Costs	Less: Exchange Revenue	
Foods	\$ 121,589	\$ 1,733	\$ 319,274	\$ 8,077	\$ 431,053
Human Drugs	89,745	827	327,787	136,303	280,402
Biologics	47,490	6,170	158,030	11,934	187,416
Animal Drugs and Feeds	35,073	308	78,500	529	112,736
Devices & Radiological Health	63,587	2,149	188,649	9,202	240,885
National Center for Toxicological Research	8,134	12,072	49,619	-	45,681
Total	\$ 365,618	\$ 23,259	\$ 1,121,859	\$ 166,045	\$1,298,173

Program/Activity	2001				
	Gross Costs	Less: Exchange Revenue	Gross Costs	Less: Exchange Revenue	Net Program Costs
Foods	\$ 105,900	\$ 1,414	\$ 290,216	\$ 4,617	\$ 390,085
Human Drugs	73,822	2,936	304,504	120,074	255,316
Biologics	42,001	2,216	136,563	15,459	160,889
Animal Drugs and Feeds	25,291	223	58,122	84	83,106
Devices & Radiological Health	62,225	2,525	176,466	12,846	223,320
National Center for Toxicological Research	7,800	14,821	50,063	9	43,033
Tobacco	159	-	138	-	297
Total	\$ 317,198	\$ 24,135	\$ 1,016,072	\$ 153,089	\$1,156,046

The accompanying notes are an integral part of these statements.

CONSOLIDATED FINANCIAL STATEMENTS

U.S. Department of Health and Human Services
Food and Drug Administration
CONSOLIDATED STATEMENTS OF CHANGES IN NET POSITION
For the Years Ended September 30, 2002 and 2001
(In Thousands)

	2002		2001	
	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
Beginning Balances	\$170,986	\$329,498	\$182,098	\$329,795
Budgetary Financing Sources:				
Appropriations received	-	1,386,051	-	1,124,799
Appropriations transferred-in-out (+/-)	-	-	-	1,000
Other Adjustments (rescissions, etc) (+/-)	-	(32,096)	-	(40,626)
Appropriations Used	1,268,963	(1,268,963)	1,085,470	(1,085,470)
Other Financing Sources:				
Transfers-in/out without reimbursement (+/-)	226	-	(213)	-
Imputed financing from costs absorbed by others	63,024	-	59,677	-
Total Financing Sources	1,332,213	84,992	1,144,934	(297)
Net Cost of Operations	(1,298,173)		(1,156,046)	
Ending Balances	\$205,026	\$414,490	\$170,986	\$329,498

The accompanying notes are an integral part of these statements.

FDA's FY 2002 Annual Financial Report

U.S. Department of Health and Human Services
Food and Drug Administration
 CONSOLIDATED STATEMENTS OF FINANCING
 For the Years Ended September 30, 2002 and 2001
 (In Thousands)

	2002	2001
RESOURCES USED TO FINANCE ACTIVITIES:		
Budgetary Resources Obligated:		
Obligations Incurred	\$1,657,502	\$1,379,935
Less: Spending authority from offsetting collections and recoveries	(436,041)	(275,719)
Obligations net of offsetting collections and recoveries	1,221,461	1,104,216
Less: Offsetting receipts	(1,794)	(25)
Net Obligations	1,219,667	1,104,191
Non-budgetary Resources:		
Transfers in/out without reimbursement	226	(213)
Imputed financing from costs absorbed by others	63,024	59,677
Net non-budgetary resources used to finance activities	63,250	59,464
Total resources used to finance activities	1,282,917	1,163,655
RESOURCES USED TO FINANCE ITEMS NOT PART OF THE NET COST OF OPERATIONS:		
Change in budgetary resources obligated for goods, services, and benefits ordered but not yet provided	(115,544)	(37,259)
Budgetary offsetting collections and receipts that do not affect cost of operations:		
Recoveries of prior-year authority	39,679	37,475
Decrease or (increase) in unfilled customer orders	139,092	3,177
Resources that fund expenses recognized in prior periods	(4,646)	(3,635)
Resources that finance the acquisition of assets or liquidation of liabilities	(70,415)	(35,433)
Total resources used to fund items not part of the net cost of operations	(11,834)	(35,675)
Total resources used to finance the net cost of operations	1,271,083	1,127,980
COMPONENTS OF THE NET COST OF OPERATIONS THAT DO NOT REQUIRE OR GENERATE RESOURCES DURING THE REPORTING PERIOD:		
Components not requiring or generating resources:		
Depreciation and amortization	17,317	15,411
Losses or (gains) on disposition of assets	28	705
Other	(2,166)	-
Total components not requiring or generating resources	15,179	16,116
Components requiring or generating resources in future periods:		
Decrease or (increase) in exchange revenue receivable from public	3,984	1,827
Annual Leave expense from increase in annual leave liability	8,102	5,295
Other	(175)	4,828
Subtotal	11,911	11,950
Total components of net cost of operations that do not require or generate resources during the reporting period	27,090	28,066
Net cost of operations	\$1,298,173	\$1,156,046

The accompanying notes are an integral part of these statements.

CONSOLIDATED FINANCIAL STATEMENTS

U.S. Department of Health and Human Services
Food and Drug Administration
 COMBINED STATEMENTS OF BUDGETARY RESOURCES
 For the Years Ended September 30, 2002 and 2001
 (In Thousands)

	2002	2001
BUDGETARY RESOURCES:		
Budget authority :		
Appropriations Received	\$1,387,845	\$1,124,823
Net Transfers (+/-)	-	1,000
Unobligated balance:		
Beginning of Period	85,716	104,735
Spending authority from offsetting collections:		
Earned		
Collected	200,281	186,913
Receivable from Federal sources	3,110	545
Change in unfilled customer orders		
Advance Received	127,291	9
Without advance from Federal sources	11,800	2,652
Subtotal	342,482	190,119
Recoveries of prior year obligations	93,559	85,600
Temporarily not available pursuant to Public Law	(127,224)	-
Permanently not available	(29,930)	(40,626)
Total Budgetary Resources	\$1,752,448	\$1,465,651
STATUS OF BUDGETARY RESOURCES:		
Obligations incurred :		
Direct	\$1,635,738	\$1,354,992
Reimbursable	21,764	24,943
Subtotal	1,657,502	1,379,935
Unobligated balance:		
Apportioned	75,180	69,870
Unobligated balance not available	19,766	15,846
Total Status of Budgetary Resources	\$1,752,448	\$1,465,651
RELATIONSHIP OF OBLIGATIONS TO OUTLAYS:		
Obligated balance, net, beginning of period	\$394,029	\$365,057
Obligated balance, net, end of period:		
Accounts receivable	(9,430)	(6,321)
Unfilled customer orders from Federal sources	(21,719)	(9,918)
Undelivered Orders	369,330	296,595
Accounts payable	150,506	113,673
Outlays:		
Disbursements	1,454,375	1,262,166
Collections	(327,572)	(186,922)
Subtotal	1,126,803	1,075,244
Less: Offsetting receipts	(1,794)	(25)
Net Outlays	\$1,125,009	\$1,075,219

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